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LISTING STATEMENT No. 2267

LISTED JULY 19, 1967

486,000 Shares without par value

Stock symbol "BRC"

Dial quotation number 1549

Post section 5.3

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THE TORONTO STOCK EXCHANGE

LISTING STATEMENT

BUNTIN REID PAPER CO. LIMITED

Incorporated under the laws of the Province of Ontario
by Letters Patent dated November 1, 1966

SHARES WITHOUT PAR VALUE

(Transferable in Toronto, Montreal, Halifax, Winnipeg and Vancouver)

CAPITAL SECURITIES AS AT

June 30, 1967

CAPITAL SECURITIES:	AUTHORIZED	ISSUED AND OUTSTANDING	TO BE LISTED
Shares without par value	1,000,000	486,000	486,000

June 30, 1967

1. APPLICATION

BUNTIN REID PAPER CO. LIMITED (hereinafter called the "Company") hereby makes application for listing on The Toronto Stock Exchange of 486,000 shares without par value in the capital of the Company, all of which are issued and outstanding as fully paid and non-assessable.

2. REFERENCE TO PROSPECTUS

Reference is hereby made to the attached prospectus issued by the Company under date of April 27, 1967 with respect to the offering of 150,000 outstanding shares of the Company, a copy of which prospectus is hereby incorporated in this application and made part hereof.

3. OPINION OF COUNSEL

Messrs. Ross, Ross & Field, 80 King Street West, Toronto, Ontario, counsel for the Company, are filing in support of this application an opinion stating, among other things, that (i) the Company is duly incorporated and is a valid and subsisting corporation in good standing under the laws of the Province of Ontario; and (ii) the authorized capital of the Company consists of 1,000,000 shares without par value of which 486,000 shares have been duly issued and are outstanding as fully paid and non-assessable.

4. LISTING ON OTHER STOCK EXCHANGES

The shares without par value of the Company are not being listed on any other Stock Exchange.

5. STATUS UNDER SECURITIES ACTS

The offering of the 150,000 shares without par value was qualified for sale to the public in all Provinces of Canada.

6. FISCAL YEAR

The fiscal year of the Company ends on December 31 in each year.

7. ANNUAL MEETING

Under the By-laws of the Company the annual meeting of shareholders will be held on such day in each year as the board of directors of the Company from time to time may determine. The last annual meeting of the Company was held February 27, 1967.

8. HEAD OFFICE

The head office of the Company is located at 800 King Street West, Toronto, Ontario. The Company has branch offices at 501 Talbot Street, London, Ontario and 450 Preston Street, Ottawa, Ontario.

9. TRANSFER AGENT AND REGISTRAR

Eastern & Chartered Trust Company at its principal transfer offices in Toronto, Montreal, Halifax, Winnipeg and Vancouver is the transfer agent and registrar for the shares without par value of the Company. The share certificates are mutually interchangeable.

10. TRANSFER FEE

No fee is charged on transfers of the shares without par value other than customary stock transfer taxes.

11. AUDITORS

The auditors of the Company are Messrs. Riddell, Stead, Graham & Hutchison, Chartered Accountants, 48 Yonge Street, Toronto, Ontario.

12. DIRECTORS

NAME AND ADDRESS	PRINCIPAL OCCUPATION DURING PAST FIVE YEARS
Llewellyn Francis Anderson, 43 Daneswood Road, Toronto, Ontario.	Chief Financial Officer of the Company
John Martin Hunter, 40 North Sherbourne Street, Toronto, Ontario.	General Sales Manager of the Company
Kenneth Martin Hunter, 140 Riverview Drive, Toronto, Ontario.	Chief Executive Officer of the Company
James Leith Ross, 221 Cortleigh Boulevard, Toronto, Ontario.	Solicitor, Ross, Ross & Field
Alexander Ellis Smith, 2 Medalist Road, Willowdale, Ontario.	Chief Sales Officer of the Company

13. OFFICERS

NAME AND ADDRESS	OFFICE	PRINCIPAL OCCUPATION DURING PAST FIVE YEARS
Llewellyn Francis Anderson, 43 Daneswood Road, Toronto, Ontario.	Vice-President Finance and Treasurer	Chief Financial Officer of the Company
Kenneth Martin Hunter, 140 Riverview Drive, Toronto, Ontario.	Chairman of the Board and President	Chief Executive Officer of the Company
Alexander Ellis Smith, 2 Medalist Road, Willowdale, Ontario.	Vice-President— Sales	Chief Sales Officer of the Company
Allen William Henderson, 527 Bobbybrook Crescent, London, Ontario.	General Manager of the London Division	General Manager of the London Division
James Douglas Leith Ross, 166 St. Germain Avenue, Toronto, Ontario.	Secretary	Solicitor, Ross, Ross & Field
Mary Patricia Langmuir, 127 Balmoral Avenue, Toronto, Ontario.	Assistant Secretary	Secretary to the President of the Company

This prospectus is not, and under no circumstances is to be construed as, a public offering of any of these securities for sale in the United States of America or in the territories or possessions thereof.

Outstanding Issue

150,000 Shares

without par value

Buntin Reid Paper Co. Limited

The Shares offered by this prospectus are outstanding Shares being purchased from a shareholder of the Company as set out herein under the heading "Selling Shareholder" on page 6 hereof and no part of the proceeds from the sale thereof will be paid to the Company.

An application has been made to list the Shares of the Company on The Toronto Stock Exchange. Acceptance of the listing will be subject to the filing of required documents and evidence of satisfactory distribution both within ninety days.

	Price to Public	Underwriter's Discount	Proceeds to Company	Proceeds to Selling Shareholder (1)
Per Share.....	\$10.00	\$0.55	Nil	\$9.45
Total.....	\$1,500,000	\$82,500	Nil	\$1,417,500

(1) Less security transfer tax of 1¢ per Share. The Company will pay the costs of preparing definitive share certificates and of listing the Shares and the fees of the registrar and transfer agent. The selling shareholder will pay all other expenses in connection herewith, estimated at \$20,000.

There is at present no established market for the Shares of the Company and the price for this offering was determined by negotiation between the selling shareholder and the underwriter.

We, as principals, offer these Shares, if, as and when accepted by us, subject to prior sale or change in price and subject to the right to reject any application in whole or in part and to withdraw this offer at any time without prior notice. It is expected that definitive certificates representing these Shares will be available for delivery on or about May 17, 1967.

**NO SECURITIES COMMISSION OR SIMILAR AUTHORITY IN CANADA HAS IN ANY WAY PASSED UPON THE MERITS OF THE SECURITIES OFFERED HERE-
UNDER AND ANY REPRESENTATION TO THE CONTRARY IS
AN OFFENCE.**

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THE COMPANY

Buntin Reid Paper Co. Limited (hereinafter called the "Company") is the company continuing from the amalgamation of Buntin Reid Paper Company Limited and its wholly-owned subsidiaries, Buntin Reid Paper (London) Limited and Buntin Reid Paper (Eastern) Limited, effected by Ontario letters patent dated November 1, 1966, which three last mentioned companies are hereinafter sometimes collectively referred to as the "amalgamating companies". Where the context so requires, the term the "Company" includes the amalgamating companies. The address of the head and principal office of the Company is 800 King Street West, Toronto, Ontario.

CAPITALIZATION

	Authorized	Outstanding December 31, 1966	Outstanding as of the date hereof	To be out- standing upon completion of this sale
Shares without par value.....	1,000,000 shs.	486,000 shs.	486,000 shs.	486,000 shs.

Reference is made to the obligations of the Company with respect to leases on real property, particulars of which are set out under the heading "Property" on page 5 hereof and in Note (3) to the Financial Statements on page 14 hereof.

BUSINESS

Operations

The business of the Company was established in 1856 and has been carried on continuously for 111 years. Originally established as a wholesaler of fine paper and stationery, it became primarily engaged in the wholesaling of fine paper around the turn of the century. Today, the Company is the largest wholesale distributor of fine paper in Ontario with offices and warehouses located in Toronto, London and Ottawa. At December 31, 1966, total assets of the Company exceeded \$4,000,000.

A wide variety of fine paper, both in bulk and in small lots, is distributed by the Company. Large inventories of standard stock items and its own fleet of trucks help the Company maintain quality of service and fast delivery. As a result of technical competence and reputation for service built up over the past century, the Company has achieved its present position in the wholesale fine paper industry of Ontario.

In 1950, control of the business was acquired by Kenneth Martin Hunter who has since that time been its chief executive officer.

The Wholesale Paper Industry

The Canadian wholesale paper industry, which supplies fine paper to a wide variety of customers, consists of approximately 30 companies, of which about one-half are in Ontario. The major portion of the fine paper distributed is produced by Canadian paper mills with only a limited quantity of specialty papers being imported. The total sales of these Canadian distributors in 1966 are estimated at more than \$100,000,000.

Although some fine paper is sold directly by the mills to a few large users, the general distribution is through local independent merchants. To service the printing and allied trades, a paper merchant must carry a complete range of papers including many specialty and sundry lines. The demand for

many grades is quite limited and none of the paper mills in Canada, with possibly one exception, produces a complete line of papers nor do they make the specialty and sundry items. The established method of distributing fine papers to the Canadian market has proved to be the most effective and has resulted in strong producer-distributor relationships. This same method of distribution through independent paper merchants prevails in other countries, particularly in the United States.

Sources of Supply

The Company purchases the bulk of its requirements from four leading eastern Canadian producers of fine paper — Domtar Pulp & Paper Limited, The E. B. Eddy Company, Provincial Paper, Limited and Rolland Paper Company, Limited. The Company has long standing relationships with these producers and the complete lines of each mill are available to the Company. About 15% of the Company's purchases are specialty papers imported from about 40 different suppliers mostly in the United States. In addition, a wide variety of sundry items, including gummed paper, shipping tags, envelopes, business cards and safety cheque papers, is stocked. In all the Company has about 100 suppliers.

Customers and Sales

The Company distributes fine paper to printers, lithographers, commercial stationers, publishers, greeting card manufacturers and a large number of private printing plants. Sales for the year ended December 31, 1966 were made to approximately 1,700 customers of which the five largest accounted for approximately 15% of total sales.

The Toronto warehouse services all of Ontario except those areas serviced by the London and Ottawa warehouses. Southwestern Ontario, west of Hamilton, is serviced by the London warehouse and eastern Ontario from Kingston to the Quebec border, including Ottawa and the Ottawa Valley, is serviced by the Ottawa warehouse. The Ottawa warehouse also services a limited number of accounts in Montreal. The Toronto warehouse accounts for about 80% of sales with London and Ottawa each accounting for about 10%.

The growth in the Company's sales during the past ten years is illustrated in the following table using an index figure of 100 to represent 1956 sales:

Year ended December 31	Index
1956.....	100.0
1957.....	103.7
1958.....	108.3
1959.....	126.0
1960.....	129.4
1961.....	139.4
1962.....	153.8
1963.....	165.0
1964.....	188.8
1965.....	205.3
1966.....	243.5

While the Company looks for normal sales increases in the future, it is not expected that the 1966 growth rate can be maintained.

Approximately 50% of the Company's dollar sales volume is represented by direct shipments from the mill to the customer and the remainder is supplied from the Company's warehouses. The Company's own trucks provide a daily delivery service in the metropolitan areas of Toronto, Hamilton, Ottawa and London. Orders received from outside the metropolitan areas are shipped by public transport and normally reach the customer the day following receipt of order.

The Company has approximately 130 employees of which 20 are salesmen calling on the trade, including the managers at London and Ottawa. London and Ottawa are essentially sales-service operations and accordingly the managers there devote most of their time to outside selling. The head office in Toronto is responsible for purchasing, accounting and general administration.

PROPERTY

The Company leases its office and warehouse premises in Toronto, London and Ottawa.

Its principal office and warehouse building is located at 800 King Street West in downtown Toronto. This modern steel and brick building was constructed to the Company's specifications in 1961 and contains approximately 60,000 square feet of fully sprinklered warehouse space and 10,000 square feet of office space. The warehouse portion has an 18 foot ceiling, is laid out on the steel storage rack and pallet method and is equipped with mechanized materials handling equipment. With most of its competitors located in the suburban areas, the downtown location gives the Company a distinct competitive advantage.

The Company's office and warehouse premises in London and Ottawa were built to its specifications in 1950 and 1952 respectively. These modern one-storey, brick and concrete block buildings each have an area of approximately 8,500 square feet and are centrally located in the downtown business areas. The Company maintains an adequate inventory of staple stock items at each of the London and Ottawa warehouses, with most specialty and imported items being obtained overnight from the Toronto warehouse.

The Company leases its premises in Toronto at an annual rental of \$75,000 under a 20 year lease dated September 1, 1961 and expiring August 31, 1981. The Company leases its premises at 501 Talbot Street, London, Ontario at an annual rental of \$6,000 under a 10 year lease dated November 1, 1960 and expiring October 31, 1970. The Company leases its premises at 450 Preston Street, Ottawa, at an annual rental of \$6,600 under a 10 year lease dated December 31, 1962 and expiring December 31, 1972. The London and Ottawa premises are insured by the lessor of such premises. The Company is responsible for all other expenses in connection with the leased premises, including insurance on the Toronto premises and all property taxes.

DESCRIPTION OF SHARES

The authorized share capital of the Company consists of 1,000,000 Shares without par value. All the outstanding Shares are fully paid and non-assessable and the holders thereof are entitled to one vote per Share at all meetings of the shareholders of the Company. All Shares of the Company rank *pari passu* in all respects.

PRINCIPAL SHAREHOLDERS

As at the date hereof the number of Shares owned of record or beneficially, directly or indirectly, by each person or company who owns of record or is known to own beneficially, directly or indirectly, more than 10% of the Shares of the Company are as follows:

Name and address	Type of ownership	Number of Shares owned	Percentage of outstanding Shares
Kenneth Martin Hunter, 140 Riverview Drive, Toronto, Ontario.	Record and beneficially	226,000 shs.	46.5%
B. R. Holdings Limited, 800 King Street West, Toronto, Ontario.	Record and beneficially	224,000 shs.	46.1%

Upon completion of the distribution of the Shares offered by this prospectus, no person or persons by reason of beneficial ownership of securities of the Company or any agreement in writing will be in a position to, or will be entitled to, elect or cause to be elected a majority of the directors of the Company. However, Kenneth Martin Hunter and B. R. Holdings Limited could, if they were to act in concert, although there is no agreement so to act, elect or cause to be elected a majority of the directors of the Company. Llewellyn Francis Anderson, John Martin Hunter, Kenneth Martin Hunter and Alexander Ellis Smith, all of whom are directors of the Company, are directors of B. R. Holdings Limited and the beneficial owners of all the issued and outstanding shares of that company but none of such persons individually controls such company. Kenneth Martin Hunter is the beneficial owner of 37.5% of the issued and outstanding shares of B. R. Holdings Limited.

SELLING SHAREHOLDER

The 150,000 Shares offered by this prospectus are being purchased from Kenneth Martin Hunter, an officer and director of the Company, as set forth under the heading "Agreements with Underwriter" on page 10 of this prospectus.

As at the date hereof, Kenneth Martin Hunter beneficially owns, directly or indirectly, 226,000 Shares of the Company. After giving effect to the sale of the 150,000 Shares offered by this prospectus, Kenneth Martin Hunter will beneficially own, directly or indirectly, 76,000 Shares, being approximately 15.6% of the total outstanding Shares of the Company.

MANAGEMENT

Directors and Officers

The names and home addresses in full of the directors and officers of the Company and the positions and offices held by each, and the principal occupations within the five preceding years, are as follows:

Name and Address	Office	Principal Occupation
Llewellyn Francis Anderson, 43 Daneswood Road, Toronto, Ontario.	Vice-President - Finance, Treasurer and Director	Chief Financial Officer of the Company
John Martin Hunter, 40 North Sherbourne Street, Toronto, Ontario.	Director	General Sales Manager of the Company
Kenneth Martin Hunter, 140 Riverview Drive, Toronto, Ontario.	Chairman of the Board, President and Director	Chief Executive Officer of the Company
James Leith Ross, 221 Cortleigh Blvd., Toronto, Ontario.	Director	Solicitor, Ross, Ross & Field
Alexander Ellis Smith, 2 Medalist Road, Willowdale, Ontario.	Vice-President - Sales, and Director	Chief Sales Officer of the Company
Allen William Henderson, 527 Bobbybrook Crescent, London, Ontario.	General Manager of the London Division	General Manager of the London Division of the Company
James Douglas Leith Ross, 166 St. Germain Avenue, Toronto, Ontario.	Secretary	Solicitor, Ross, Ross & Field
Mary Patricia Langmuir, 127 Balmoral Avenue, Toronto, Ontario.	Assistant Secretary	Secretary to the President of the Company

Remuneration

The by-laws of the Company provide, in effect, that the Board is authorized to fix from time to time by resolution the remuneration of the directors.

The aggregate remuneration paid by the Company and the amalgamating companies during the calendar year 1966 to directors of the Company, as such, was \$200 and to the senior officers of the Company, as such, who individually received remuneration in excess of \$10,000 per annum was \$154,000. The aggregate remuneration paid or payable by the Company during the period from January 1, 1967 to March 31, 1967 to directors and senior officers of the Company is \$38,575. The aggregate remuneration estimated to be paid or payable by the Company during the current financial year to directors of the Company, as such, is \$200 and to the senior officers of the Company, as such, who individually are or may be entitled to receive remuneration in excess of \$10,000 per annum is \$153,500.

Pension and Retirement Benefits

The Company has an Employees' Pension Plan under which retirement benefits are based on a percentage of average annual earnings determined by the number of completed years spent in various

salary grades, up to normal pension age, for which contributions have been made. The cost to the Company in 1966 of providing current pensions for the senior officers of the Company was \$4,826. In addition, due to a general retroactive increase in pension benefits, a single payment of \$4,470 was made in 1966 to fund the increased benefits for the senior officers of the Company. The Company has paid in full for all past service pensions. The Employees' Pension Plan, which commenced July 1, 1946, has increased the benefits received under the plan from time to time to the present level.

Management Interest

The directors and senior officers of the Company as a group beneficially own, directly or indirectly, 475,000 Shares or approximately 97.7% of the outstanding Shares of the Company. After giving effect to the sale of the 150,000 Shares offered by this prospectus, the directors and senior officers of the Company as a group will beneficially own, directly or indirectly, 325,000 Shares or approximately 66.9% of the outstanding Shares of the Company. The above figures include 224,000 Shares owned by B. R. Holdings Limited which is referred to under the heading "Principal Shareholders" on page 6 of this prospectus.

Kenneth Martin Hunter, an officer and director of the Company, owns the premises leased by the Company in Toronto, London and Ottawa and is the lessor in the leases referred to under the heading "Property" on page 5 of this prospectus.

THE AMALGAMATING COMPANIES

Buntin Reid Paper Company Limited was incorporated under the laws of Ontario by letters patent dated February 28, 1923, amended by order dated August 21, 1946 and supplementary letters patent dated November 23, 1946, September 18, 1950, August 16, 1955 and May 9, 1961. Buntin Reid Paper (London) Limited was incorporated under the laws of Ontario by letters patent dated June 1, 1950, amended by supplementary letters patent dated August 16, 1955. Buntin Reid Paper (Eastern) Limited was incorporated under the laws of Ontario by letters patent dated July 23, 1952, amended by supplementary letters patent dated August 16, 1955 and May 6, 1963.

PRIOR ISSUES OF SECURITIES

Within the two years preceding the date hereof, the only securities issued by the Company and the amalgamating companies have been as follows:

- (i) On June 29, 1966, Buntin Reid Paper Company Limited issued 60 of its common shares at their par value of \$100 each (the equivalent of 18,000 Shares of the Company as now constituted) to Kenneth Martin Hunter, 140 Riverview Drive, Toronto, Ontario, and 40 of such common shares (the equivalent of 12,000 Shares of the Company as now constituted) to Allen William Henderson, 527 Bobbybrook Crescent, London, Ontario, as consideration for the purchase from them of 600 and 400 common shares without par value, respectively, of Buntin Reid Paper (London) Limited; and Buntin Reid Paper Company Limited issued a further 120 of its common shares at their par value of \$100 each (the equivalent of 36,000 Shares of the Company as now constituted) to the said Kenneth Martin Hunter as consideration for the purchase from him of 1,200 common shares without par value of Buntin Reid Paper (Eastern) Limited. By these transactions, Buntin Reid Paper Company Limited acquired all the outstanding shares of Buntin Reid Paper (London) Limited and Buntin Reid Paper (Eastern) Limited, respectively. No amount was paid for goodwill.

- (ii) Pursuant to the amalgamation agreement made as of October 14, 1966 between the amalgamating companies which was confirmed by letters patent of amalgamation dated November 1, 1966, the issued and outstanding shares of the amalgamating companies were converted into 486,000 Shares without par value of the Company.
- (iii) Each of the amalgamating companies issued redeemable preference shares (all of which were subsequently purchased for cancellation) by way of stock dividends, as follows:

	Description of shares	Year	Number of shares	Aggregate par value
Buntin Reid Paper Company Limited	5% non-cumulative non-voting redeemable preference shares — \$10 par value	1965 1966	5,950 shs. 5,950 shs.	\$59,500 \$59,500
Buntin Reid Paper (London) Limited	5% non-cumulative redeemable preference shares — \$25 par value	1965 1966	510 shs. 340 shs.	\$12,750 \$ 8,500
Buntin Reid Paper (Eastern) Limited	5% non-cumulative redeemable preference shares — \$25 par value	1965 1966	615 shs. 510 shs.	\$15,375 \$12,750

MATERIAL CONTRACTS

The dates of and the parties to and the general nature of every material contract entered into by the Company within the two years preceding the date hereof other than in the ordinary course of business are as follows:

- (i) Agreements dated June 29, 1966 between Buntin Reid Paper Company Limited and the shareholders of Buntin Reid Paper (London) Limited and of Buntin Reid Paper (Eastern) Limited respectively covering the acquisition of shares referred to under the heading "Prior Issues of Securities" on page 8 hereof;
- (ii) Amalgamation agreement made as of October 14, 1966 between the amalgamating companies referred to above under the heading "Prior Issues of Securities"; and
- (iii) Warranty agreement dated April 27, 1967 between the Company and Pitfield, Mackay, Ross & Company Limited with respect to the information contained in this prospectus referred to under the heading "Plan of Distribution" on page 10 hereof.

The foregoing agreements and/or copies thereof and copies of the leases referred to under "Property" on page 5 of this prospectus, may be inspected during ordinary business hours at the head office of the Company, 800 King Street West, Toronto, Ontario, while the securities offered by this prospectus are in the course of primary distribution to the public and for a period of 30 days thereafter.

DIVIDENDS

The Company and the amalgamating companies have paid the following dividends per share during the last five completed financial years preceding the date of this prospectus:

	Total dividends per share				
	1962	1963	1964	1965	1966
Cash dividends per share					
Preference shares (1).....	\$1.25	\$1.25	\$ —	\$ —	\$ —
Common shares (2) (including Shares of the Company) ..	.18	.19	.21	.20	.35(3)
Stock dividends (2)(4)14	.15	.18	.18	.17

(1) Purchased for cancellation prior to December 31, 1963.

(2) Calculated on the basis that there were 486,000 Shares outstanding throughout the five year period.

(3) Includes dividend of 15¢ per Share declared in December 1966 and paid on January 3, 1967.

(4) Based on the par value of preference shares issued and subsequently purchased for cancellation.

The directors have stated that it is their intention to declare and pay quarterly dividends at the annual rate of 60¢ per share on the Shares of the Company as and when earnings and other circumstances warrant. Quarterly dividends of 15¢ per share have been paid on the Shares of the Company on November 1, 1966, January 3, 1967 and April 3, 1967.

PLAN OF DISTRIBUTION

Terms of Offering

The number of securities offered by this prospectus, the price to the public and the terms of the offering are stated on the front page of this prospectus. The securities offered hereby will be sold to the public by Pitfield, Mackay, Ross & Company Limited and other registered investment dealers and brokers.

The securities offered by this prospectus are being purchased from a shareholder of the Company. The Company will receive no part of the proceeds from the sale of such securities, which represent approximately 30.9% of the outstanding Shares of the Company.

Agreements with Underwriter

By agreement dated April 27, 1967 between Kenneth Martin Hunter and Pitfield, Mackay, Ross & Company Limited, on its own behalf as underwriter, Kenneth Martin Hunter agreed to sell and the underwriter agreed to buy the 150,000 Shares offered by this prospectus for \$9.45 per share (less security transfer tax) payable in cash against delivery of certificates representing the said Shares in definitive form on or about May 17, 1967 upon and subject to the terms and conditions set forth in the said agreement.

The agreement provides that the obligations of the underwriter are subject to certain conditions precedent and that the underwriter is obligated to take up and pay for all of the Shares offered by this prospectus if any of the said Shares are purchased under the said agreement and therefore no Shares less than the 150,000 Shares offered by this prospectus will be offered to the public.

By a further agreement dated April 27, 1967 between Kenneth Martin Hunter and B. R. Holdings Limited (referred to under the heading "Principal Shareholders" on page 6 of this prospectus) and the underwriter, Kenneth Martin Hunter and B. R. Holdings Limited agreed not to sell or otherwise deal in any Shares of the Company for a period of 180 days from the date of this prospectus without the prior written consent of the underwriter. This agreement also provides that (i) until May 17, 1972

Kenneth Martin Hunter and B. R. Holdings Limited will, if requested to do so, use their best endeavours to cause a nominee of the underwriter to be elected to the board of directors of the Company and (ii) until May 17, 1977 the underwriter will have certain rights of first refusal in respect of any sale of Shares of the Company owned by Kenneth Martin Hunter or B. R. Holdings Limited.

By a further agreement dated April 27, 1967 between the Company and the underwriter, the Company represented and warranted to the underwriter the accuracy of the information contained in this prospectus.

REGISTRAR AND TRANSFER AGENT

Eastern & Chartered Trust Company at its offices at 5160 Prince Street, Halifax, Nova Scotia, 625 Dorchester Boulevard West, Montreal, Quebec, 1901 Yonge Street, Toronto, Ontario, 394 Portage Avenue, Winnipeg, Manitoba and 400 Burrard Street, Vancouver, British Columbia is the transfer agent and registrar for the Shares of the Company.

AUDITORS

The auditors of the Company are Messrs. Riddell, Stead, Graham & Hutchison, Chartered Accountants, 48 Yonge Street, Toronto, Ontario.

LEGAL OPINION

Legal matters in connection with the sale of the Shares offered by this prospectus will be passed upon on behalf of the Company and the selling shareholder by Messrs. Ross, Ross & Field and on behalf of the underwriter by Messrs. Fraser, Beatty, Tucker, McIntosh & Stewart, both of Toronto.

BUNTIN REID PAPER CO. LIMITED

BALANCE SHEET (Note 1)

as at December 31, 1966

ASSETS

CURRENT ASSETS

Cash.....		\$ 240,237
Government of Canada bonds on deposit with the Department of National Revenue (re wholesaler's sales tax licence) at approximate market value.....		36,091
Accounts receivable, less allowance for doubtful accounts of \$55,100..		2,038,892
Inventories, at the lower of cost or replacement cost.....		1,542,128
Other.....		28,571
		<u>3,885,919</u>

OTHER ASSETS

Cash surrender value of life insurance policies.....	\$ 39,317	
Special refundable tax.....	16,445	55,762

FIXED ASSETS

Motor trucks, at cost.....	130,677	
Office and plant equipment, at cost.....	170,420	
	<u>301,097</u>	
Less accumulated depreciation.....	195,494	105,603
		<u>\$ 4,047,284</u>

LIABILITIES

CURRENT LIABILITIES

Accounts payable and accrued liabilities.....	\$ 636,536
Income and other taxes.....	314,686
Dividend payable.....	72,900
	<u>1,024,122</u>

SHAREHOLDERS' EQUITY

Capital stock (Note 2)		
Shares without par value —		
Authorized: 1,000,000 Shares		
Issued: 486,000 Shares.....	\$ 162,000	
Retained earnings.....	2,861,162	3,023,162

LEASE COMMITMENTS (Note 3)

\$ 4,047,284

The notes on page 14 hereof form an integral part of the above Balance Sheet and should be read in conjunction therewith.

Approved on behalf of the Board:

(Sgd.) K. M. HUNTER, Director

(Sgd.) L. F. ANDERSON, Director

BUNTIN REID PAPER CO. LIMITED
STATEMENT OF EARNINGS (Note 1)
For the Five Years ended December 31, 1966

	Year ended December 31				
	1962	1963	1964	1965	1966
Earnings before investment income, depreciation and taxes on income.....	\$684,574	\$751,773	\$937,568	\$1,026,445	\$1,314,078
Investment income.....	1,337	1,419	1,509	1,588	1,596
	<u>685,911</u>	<u>753,192</u>	<u>939,077</u>	<u>1,028,033</u>	<u>1,315,674</u>
Depreciation.....	32,390	34,437	29,153	28,058	30,354
	<u>653,521</u>	<u>718,755</u>	<u>909,924</u>	<u>999,975</u>	<u>1,285,320</u>
Taxes on income.....	329,484	360,621	462,819	511,159	656,956
Net earnings.....	<u>\$324,037</u>	<u>\$358,134</u>	<u>\$447,105</u>	<u>\$488,816</u>	<u>\$628,364</u>
Net earnings per Share (Note 4).	<u>\$0.66</u>	<u>\$0.74</u>	<u>\$0.92</u>	<u>\$1.01</u>	<u>\$1.29</u>

STATEMENT OF RETAINED EARNINGS (Note 1)
For the Five Years ended December 31, 1966

	Year ended December 31				
	1962	1963	1964	1965	1966
Balance at beginning of year....	\$1,638,969	\$1,791,806	\$1,966,565	\$2,209,357	\$2,500,098
Net earnings.....	324,037	358,134	447,105	488,816	628,364
	<u>1,963,006</u>	<u>2,149,940</u>	<u>2,413,670</u>	<u>2,698,173</u>	<u>3,128,462</u>
Cash dividends					
Preference shares (Note 4)....	1,400	800	—	—	—
Common shares (including Shares of the Company)....	88,000	94,250	103,000	95,000	172,300
Stock dividends.....	69,500	75,125	86,125	87,625	80,750
Tax paid on undistributed income	12,300	13,200	15,188	15,450	14,250
	<u>171,200</u>	<u>183,375</u>	<u>204,313</u>	<u>198,075</u>	<u>267,300</u>
Balance at end of year.....	<u>\$1,791,806</u>	<u>\$1,966,565</u>	<u>\$2,209,357</u>	<u>\$2,500,098</u>	<u>\$2,861,162</u>

The notes on page 14 hereof form an integral part of the above Statements of Earnings and Retained Earnings and should be read in conjunction therewith.

NOTES TO FINANCIAL STATEMENTS

(1) By agreement made as of October 14, 1966 which was confirmed by letters patent dated November 1, 1966, Buntin Reid Paper Company Limited, Buntin Reid Paper (London) Limited and Buntin Reid Paper (Eastern) Limited (the amalgamating companies), were amalgamated to form one company, Buntin Reid Paper Co. Limited. Accordingly the assets, liabilities, earnings and retained earnings of the amalgamating companies are included in the accompanying statements as if they had been amalgamated throughout the period under review.

(2) Capital stock

By virtue of the amalgamation referred to in Note 1 above, the authorized capital of the Company was divided into 1,000,000 Shares without par value, of which 486,000 Shares are outstanding as fully paid and non-assessable.

(3) Lease commitments

The Company is lessee under leases providing for the following rentals:

Toronto premises — \$75,000 per annum until August 31, 1981

London premises — \$ 6,000 per annum until October 31, 1970

Ottawa premises — \$ 6,600 per annum until December 31, 1972

The London and Ottawa premises are insured by the lessor of such premises. The Company is responsible for all other expenses in connection with the leased premises, including insurance on the Toronto premises and all property taxes.

(4) Earnings per Share

Calculated on the basis of 486,000 Shares being outstanding throughout the five year period and after deducting dividends on preference shares paid by Buntin Reid Paper (London) Limited in 1962 and 1963, such preference shares having been purchased for cancellation prior to December 31, 1963.

AUDITORS' REPORT

To the Directors,
Buntin Reid Paper Co. Limited.

We have examined the accompanying financial statements of Buntin Reid Paper Co. Limited comprising the balance sheet as at December 31, 1966 and the statements of earnings and retained earnings for the five years then ended. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion the aforementioned statements present fairly the financial position of the Company as at December 31, 1966 and the results of its operations for the five years then ended, in accordance with generally accepted accounting principles applied on a consistent basis throughout.

Toronto, Ontario, April 27, 1967

(Sgd.) RIDDELL, STEAD, GRAHAM & HUTCHISON,
Chartered Accountants.

CERTIFICATES

The foregoing constitutes full, true and plain disclosure of all material facts in respect of the offering of securities referred to above as required by Part VII of the Securities Act, 1962 (British Columbia), Part IX of The Securities Act, 1955 (Alberta), section 43 of The Securities Act (Saskatchewan), section 39 of The Securities Act (Ontario), section 13 of the Securities Act (New Brunswick) and under the Securities Act (Quebec), and there is no further material information applicable other than in the financial statements or reports where required or exigible.

Dated April 27, 1967.

DIRECTORS

(Sgd.) L. F. ANDERSON

(Sgd.) K. M. HUNTER

(Sgd.) J. M. HUNTER

(Sgd.) JAMES L. ROSS

(Sgd.) ALEX. E. SMITH

To the best of our knowledge, information and belief, the foregoing constitutes full, true and plain disclosure of all material facts in respect of the offering of securities referred to above as required by Part VII of the Securities Act, 1962 (British Columbia), Part IX of The Securities Act, 1955 (Alberta), section 43 of The Securities Act (Saskatchewan), section 39 of The Securities Act (Ontario), section 13 of the Securities Act (New Brunswick) and under the Securities Act (Quebec), and there is no further material information applicable other than in the financial statements or reports where required or exigible. In respect of matters which are not within our knowledge we have relied upon the accuracy and adequacy of the foregoing.

UNDERWRITER

PITFIELD, MACKAY, ROSS & COMPANY LIMITED

Per (Sgd.) CHARLES B. LOEWEN,

Director.

The following are the names of every person having an interest, either directly or indirectly, to the extent of not less than 5% in the capital of Pitfield, Mackay, Ross & Company Limited: W. C. Pitfield, H. H. Mackay, D. L. Torrey, R. L. Hunter, W. Y. Soper, E. F. C. Kinnear, K. M. Sedgewick, J. M. Arbour, A. F. MacAllaster and D. C. Mackay.

Buntin Reid Paper Co. Limited

150,000 Shares

without par value

PROSPECTUS

Dated April 27, 1967

14.

CERTIFICATE

Pursuant to a resolution duly passed by its board of directors, the applicant Company hereby applies for listing of the above mentioned securities on The Toronto Stock Exchange and the undersigned officers hereby certify that the statements and representations made in this application and in the documents submitted in support thereof are true and correct.



BUNTIN REID PAPER CO. LIMITED

by "K. M. HUNTER", President,

by "J. D. L. ROSS", Secretary.

15.

CERTIFICATE OF UNDERWRITER

To the best of our knowledge, information and belief, all of the statements and representations made in this application and the documents submitted in support thereof are true and correct.

PITFIELD, MACKAY, ROSS & COMPANY LIMITED

by "T. H. BAKER", Director.

DISTRIBUTION OF SHARES WITHOUT PAR VALUE AS OF JUNE 15, 1967

Number						Shares
15	Holders of	1	—	24	share lots	205
222	" "	25	—	99	" "	9,795
346	" "	100	—	199	" "	36,365
110	" "	200	—	299	" "	22,475
26	" "	300	—	399	" "	7,935
9	" "	400	—	499	" "	3,635
47	" "	500	—	999	" "	26,060
26	" "	1000	—	up	" "	379,530
801	Shareholders				Total Shares	486,000

